

## NATIONAL RECOVERY ADMINISTRATION

**AMENDMENT TO  
CODE OF FAIR COMPETITION**

## FOR THE

# THROWING INDUSTRY

AS APPROVED ON FEBRUARY 2, 1934



UNITED STATES  
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Approved Code No. 54—Amendment No. 1

AMENDMENT TO

CODE OF FAIR COMPETITION

FOR THE

THROWING INDUSTRY

As Approved on February 2, 1934

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ORDER

APPROVING AMENDMENTS TO THE CODE OF FAIR COMPETITION FOR THE  
THROWING INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of amendments to a Code of Fair Competition for the Throwing Industry, and hearings having been duly held thereon and the annexed report on said amendments, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-a, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said amendments and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendments be and they are hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended; provided, however, that the provisions of Section 3 (e) insofar as they prescribe a waiting period between the filing with the Code Authority and the effective date of revised price lists or revised terms and conditions of sale be and they are hereby stayed pending my further order either within a period of 60 days from the effective date of this Code or after the completion of a study of open price associations now being conducted by the National Recovery Administration.

This order shall become effective ten (10) days after the date hereof.

HUGH S. JOHNSON,

*Administrator for Industrial Recovery.*

Approval recommended:

A. D. WHITESIDE,

*Division Administrator.*

WASHINGTON, D.C.

*February 2, 1934.*

## REPORT TO THE PRESIDENT

The PRESIDENT.

*The White House.*

SIR: This report concerns the amendments to the Code of Fair Competition for the Throwing Industry which were submitted by the Code Administration Committee of that Industry.

The hearing was conducted in Washington, D.C., on January 4, 1934. Every person who requested an appearance was freely heard in accordance with statutory and regulatory requirements.

### RÉSUMÉ OF AMENDMENTS

The amendments may be classified under four general headings; restriction against selling below cost, open listing of prices, prohibition against commercial bribery, and the secret payment of refunds or rebates.

These provisions do not apply to employers throwing materials for their own use only in their own plants. In other words, only commission throwing will be governed by these amendments.

### FINDINGS

The Deputy Administrator in his final report to me on said amendments to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendments to said Code and the Code as amended is well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof.

(c) The Throwsters Research Institute was and is an industrial association truly representative of the aforesaid Industry and that said association imposed and imposes no inequitable restrictions on admission to membership therein and has applied for or consents to these amendments.

(d) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

For these reasons, the amendments have been approved.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

FEBRUARY 2, 1934.

## AMENDMENT TO CODE OF FAIR COMPETITION FOR THE THROWING INDUSTRY

Pursuant to the provisions of Section 6 of the Code of Fair Competition for the Throwing Industry, said Code is hereby amended by adding at the end of Section 3, the following paragraphs:

(d) Effective ten days after the approval by the Administrator of a standard and uniform method of costing formulated by the Code Administration Committee in accordance with subsection (b) of this Section, no employer shall sell the products or services of the Industry at such prices or upon such terms and conditions of sale as will result in the purchaser's paying for such product or services less than the cost thereof to the seller, as determined in accordance with said standard and uniform method of costing, except to meet the competition of listed prices. The provisions of this subsection (d) shall not apply to employers throwing materials for their own use only in their own plants.

(e) Within ten days after the approval by the Administrator of said standard and uniform method of costing, each employer shall file with the Code Administration Committee, on a printed form to be furnished by the Code Administration Committee, and publish to the trade, prices for each of the products or services of the industry sold or usually offered for sale by him based on a net cash, f.o.b. his mill basis, and he shall include in addition any yarns not listed that he may be producing or contemplate producing. After filing a price list each employer shall thereafter file with the Code Administration Committee on the day quoted, the price of any yarns not previously listed by him. Any change in prices previously filed must be filed from time to time thereafter by each employer and such revision if downward shall be filed with the Code Administration Committee five days in advance of the day on which business is taken at the lower price.

Immediately upon receipt of a revision from any employer, the Secretary of the Code Administration Committee shall notify all employers of the receipt of such notice stating the price if such price is lower or higher than the lowest price previously filed by the industry. Information embodied in any list or revision filed under this provision shall be immediately available to any employer upon application to the Secretary of the Code Administration Committee.

No employer shall sell or offer for sale any products or services of the industry at prices lower than, or on terms and conditions of sale more favorable than, those filed with the Code Administration Committee in accordance with the foregoing provisions.

The provisions of this subsection (e) shall not apply to employers throwing materials for their own use only in their own plants.\*

(f) No employer shall give, permit to be given, or directly offer to give, anything of value for the purpose of influencing or reward-

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\* See paragraph 2 of Order approving this amendment.

ing the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principle of such agent or the represented party, without the knowledge of such employer, principal, or party. This provision shall not be construed to prohibit free and general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined. The provisions of this subsection (f) shall not apply to employers throwing materials for their own use only in their own plants.

(g) No employer shall make or cause to be made secret payment or allowance of rebates, refunds, commissions, or unearned discounts, whether in the form of money or otherwise, or secretly extend to certain purchasers special services or privileges not extended to all purchasers under like terms and conditions. The provisions of this subsection (g) shall not apply to employers throwing materials for their own use only in their own plants.

Approved Code No. 54—Amendment No. 1.  
Registry No. 274-1-01.



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